

United States Bankruptcy Court Southern District of New York		Voluntary Petition										
Name of Debtor (if individual, enter Last, First, Middle): Petra Fund REIT Corp.		Name of Joint Debtor (Spouse) (Last, First, Middle):										
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):										
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): 20-4208929		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):										
Street Address of Debtor (No. and Street, City, and State): 1370 Avenue of the Americas, 23rd Flr New York, NY		Street Address of Joint Debtor (No. and Street, City, and State):										
ZIP Code 10019		ZIP Code										
County of Residence or of the Principal Place of Business: New York		County of Residence or of the Principal Place of Business:										
Mailing Address of Debtor (if different from street address):		Mailing Address of Joint Debtor (if different from street address):										
ZIP Code		ZIP Code										
Location of Principal Assets of Business Debtor (if different from street address above):												
Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.										
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).										
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY										
Estimated Number of Creditors <table style="width: 100%; border: none;"> <tr> <td><input checked="" type="checkbox"/> 1-49</td> <td><input type="checkbox"/> 50-99</td> <td><input type="checkbox"/> 100-199</td> <td><input type="checkbox"/> 200-999</td> <td><input type="checkbox"/> 1,000-5,000</td> <td><input type="checkbox"/> 5,001-10,000</td> <td><input type="checkbox"/> 10,001-25,000</td> <td><input type="checkbox"/> 25,001-50,000</td> <td><input type="checkbox"/> 50,001-100,000</td> <td><input type="checkbox"/> OVER 100,000</td> </tr> </table>			<input checked="" type="checkbox"/> 1-49	<input type="checkbox"/> 50-99	<input type="checkbox"/> 100-199	<input type="checkbox"/> 200-999	<input type="checkbox"/> 1,000-5,000	<input type="checkbox"/> 5,001-10,000	<input type="checkbox"/> 10,001-25,000	<input type="checkbox"/> 25,001-50,000	<input type="checkbox"/> 50,001-100,000	<input type="checkbox"/> OVER 100,000
<input checked="" type="checkbox"/> 1-49	<input type="checkbox"/> 50-99		<input type="checkbox"/> 100-199	<input type="checkbox"/> 200-999	<input type="checkbox"/> 1,000-5,000	<input type="checkbox"/> 5,001-10,000	<input type="checkbox"/> 10,001-25,000	<input type="checkbox"/> 25,001-50,000	<input type="checkbox"/> 50,001-100,000	<input type="checkbox"/> OVER 100,000		
Estimated Assets <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> \$0 to \$50,000</td> <td><input type="checkbox"/> \$50,001 to \$100,000</td> <td><input type="checkbox"/> \$100,001 to \$500,000</td> <td><input type="checkbox"/> \$500,001 to \$1 million</td> <td><input checked="" type="checkbox"/> \$1,000,001 to \$10 million</td> <td><input type="checkbox"/> \$10,000,001 to \$50 million</td> <td><input type="checkbox"/> \$50,000,001 to \$100 million</td> <td><input type="checkbox"/> \$100,000,001 to \$500 million</td> <td><input type="checkbox"/> \$500,000,001 to \$1 billion</td> <td><input type="checkbox"/> More than \$1 billion</td> </tr> </table>			<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,001 to \$100,000	<input type="checkbox"/> \$100,001 to \$500,000	<input type="checkbox"/> \$500,001 to \$1 million	<input checked="" type="checkbox"/> \$1,000,001 to \$10 million	<input type="checkbox"/> \$10,000,001 to \$50 million	<input type="checkbox"/> \$50,000,001 to \$100 million	<input type="checkbox"/> \$100,000,001 to \$500 million	<input type="checkbox"/> \$500,000,001 to \$1 billion	<input type="checkbox"/> More than \$1 billion
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Estimated Liabilities <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> \$0 to \$50,000</td> <td><input type="checkbox"/> \$50,001 to \$100,000</td> <td><input type="checkbox"/> \$100,001 to \$500,000</td> <td><input type="checkbox"/> \$500,001 to \$1 million</td> <td><input type="checkbox"/> \$1,000,001 to \$10 million</td> <td><input type="checkbox"/> \$10,000,001 to \$50 million</td> <td><input type="checkbox"/> \$50,000,001 to \$100 million</td> <td><input checked="" type="checkbox"/> \$100,000,001 to \$500 million</td> <td><input type="checkbox"/> \$500,000,001 to \$1 billion</td> <td><input type="checkbox"/> More than \$1 billion</td> </tr> </table>		<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,001 to \$100,000	<input type="checkbox"/> \$100,001 to \$500,000	<input type="checkbox"/> \$500,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$10 million	<input type="checkbox"/> \$10,000,001 to \$50 million	<input type="checkbox"/> \$50,000,001 to \$100 million	<input checked="" type="checkbox"/> \$100,000,001 to \$500 million	<input type="checkbox"/> \$500,000,001 to \$1 billion	<input type="checkbox"/> More than \$1 billion	
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Voluntary Petition <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): Petra Fund REIT Corp.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)			
Location Where Filed: - None -	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor: - None -	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
Exhibit A (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.) <input type="checkbox"/> Exhibit A is attached and made a part of this petition.		Exhibit B (To be completed if debtor is an individual whose debts are primarily consumer debts) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b). X _____ Signature of Attorney for Debtor(s) (Date)	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue			
(Check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property			
(Check all applicable boxes)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			
_____ (Name of landlord that obtained judgment)			
_____ (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

Voluntary Petition

(This page must be completed and filed in every case.)

Name of Debtor(s)

Petra Fund REIT Corp.

Signatures**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (if not represented by attorney)

Date

Signature of Attorney*

X /s/ Arnold Gulkowitz
Signature of Attorney for Debtor(s)
Arnold Gulkowitz, Esq.
Printed Name of Attorney for Debtor(s)
Dickstein Shapiro LLP
Firm Name
1633 Broadway
New York, NY 10019
Address
(212) 277-6500 Fax: (212) 277-6501
Telephone Number
10/20/2010
Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X /s/ Andrew Stone
Signature of Authorized Individual
Andrew Stone
Printed Name of Authorized Individual
President
Title of Authorized Individual
10/20/2010
Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only **one** box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

☐ Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
(Signature of Foreign Representative)

(Printed Name of Foreign Representative)

Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

Address

X _____
Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

**ACTION BY WRITTEN CONSENT
OF THE DIRECTORS OF
Petra Fund REIT Corp.
(a Maryland corporation)**

The undersigned, being the directors of Petra Fund REIT Corp., a Maryland corporation (the "**Company**"), hereby consent to the taking of the following actions and adopt the following resolutions, and any required notice having been waived, such resolutions to have the same force and effect as if adopted at a meeting which was duly called and held and at which a required number were present and acting throughout:

WHEREAS, the Bylaws of the Company provide that the Board of Directors of the Company has the power to manage and conduct the business and affairs of the Company;

NOW, THEREFORE, BE IT RESOLVED, that, in the judgment of the Board of Directors of the Company, it is desirable and in the best interests of the Company to commence a voluntary chapter 11 bankruptcy case (the "**Case**") in the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**");

FURTHER RESOLVED, that notwithstanding any contrary provisions in the Bylaws of the Company or elsewhere, that each person identified on Exhibit A hereto ("**Authorized Persons**"), acting together or individually, has full authority to act and hereby is, authorized, empowered and directed, on behalf of the Company, to execute and/or verify documents in the name of the Company relating to the Case, and to take such actions on behalf of the Company in connection with the Case (in addition to and including any specific actions approved pursuant to the resolutions set forth below) as the Authorized Person(s), in his discretion, deems necessary or desirable to carry out the intent and accomplish the purposes of these resolutions;

FURTHER RESOLVED, that the Company shall be, and hereby is, authorized to (a) file a voluntary petition ("**Petition**") to commence the Case in the Bankruptcy Court; and (b) perform any and all acts as are reasonable, advisable, convenient, proper or necessary to effect any of the foregoing;

FURTHER RESOLVED, that each Authorized Person, acting together or individually, shall be authorized, directed and empowered on behalf of and in the name of the Company to execute, verify, acknowledge and deliver, as applicable, the Petition as well as all other ancillary agreements, instruments, schedules, motions, applications, pleadings and other documents evidencing or creating or effectuating or otherwise related to the filing of the Petition or otherwise required by the Company or otherwise deemed necessary or desirable by the Company on behalf of the Company to be executed, verified, acknowledged and/or delivered on behalf of the Company in connection with the Petition or the Case (collectively, the "**Bankruptcy Documents**");

FURTHER RESOLVED, that each Authorized Person, acting together or individually, shall be authorized, directed and empowered on behalf of and in the name of the Company, to file or cause to be filed the Petition and the other Bankruptcy Documents;

FURTHER RESOLVED, that each Authorized Person, acting together or individually, shall be authorized, directed and empowered to retain, on behalf of the Company: (a) Dickstein Shapiro LLP; and (b) such additional professionals as in the judgment of the Authorized Person is necessary in connection with the Case and other related matters, on such terms as such Authorized Person shall approve;

FURTHER RESOLVED, that Dickstein Shapiro LLP, and any additional special counsel selected by the Authorized Persons, if any, shall be, and hereby are, authorized, empowered and directed to represent the Company as debtor and debtor in possession, in connection with the Case or any other bankruptcy case commenced by or against the Company;

FURTHER RESOLVED, that any and all actions heretofore taken by the Company in connection with the preparation and filing of the Petition or otherwise in anticipation of the Case are hereby ratified and confirmed;

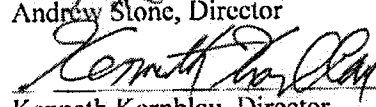
FURTHER RESOLVED, that, in addition to the specific authorizations heretofore conferred upon each of the Authorized Persons, each of the Authorized Persons shall be, and hereby is, authorized, empowered and directed to take or cause to be taken all such further actions, to execute and deliver or cause to be executed and delivered all such further certificates, agreements, instruments and other documents and to incur all such fees and expenses, on behalf of and in the name of the Company, as in his judgment shall be necessary, appropriate, or advisable in order to carry out fully the intent and purposes of the resolutions adopted herein, it being understood that all such actions shall be performed in such manner and all such agreements, instruments and other documents shall be in such form, as such Authorized Persons performing or executing same shall approve, the performance or execution of the same by such Authorized Person(s) to be conclusive evidence of the approval thereof by such person(s) and by the Company; and it is

FURTHER RESOLVED, that the authority given hereunder shall be deemed retroactive and any and all acts authorized hereunder and performed prior to the date hereof are hereby ratified and affirmed.

IN WITNESS WHEREOF, the undersigned, acting as the members of the Board of Directors of the Company, have executed this written consent as of the 20th day of October, 2010.

By:


Andrew Slone, Director


Kenneth Kornblau, Director


Lawrence Shelley, Director

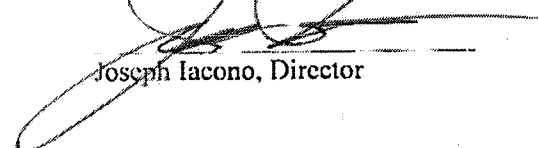

Joseph Iacono, Director

EXHIBIT A to Consent - Authorized Persons

Andrew Stone
Kenneth Kornblau
Joseph Iacono
Lawrence Shelley

United States Bankruptcy Court
Southern District of New York

In re Petra Fund REIT Corp.

Debtor(s)

Case No.

Chapter

11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1) <i>Name of creditor and complete mailing address including zip code</i>	(2) <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	(3) <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	(4) <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	(5) <i>Amount of claim [if secured, also state value of security]</i>
Bear Stearns Funding, Inc. c/o JP Morgan Chase Bank, NA 270 Park Avenue, 6th Floor New York, NY 10017	Kunal Singh Bear Stearns Funding, Inc. c/o JP Morgan-270 Park Ave., 6 Flr New York, NY 10017 212-834-5467	Securities Collateral	Contingent Unliquidated	Unknown (Unknown secured)
Fried, Frank Harris, Shriver & One New York Place New York, NY 10004	Jonathan Mechanic Fried, Frank Harris, Shriver & One New York Place New York, NY 10004 212-859-8222	Legal Services	Contingent Unliquidated	Unknown
Greenwich Cap. Fin. Prod. 600 Steamboat Rd Greenwich, CT 06830	Lance Haberin Greenwich Cap. Fin. Prod. 600 Steamboat Rd Greenwich, CT 06830 203-618-2777	Securities	Contingent Unliquidated Disputed	Unknown (Unknown secured)
KBS Preferred Holding I, LLC c/o KBS REIT 620 Newport Ctr Dr, Ste 1300 Newport Beach, CA 92660	Keith Hall KBS Preferred Holding I, LLC 620 Newport Ctr Dr, Ste 1300 Newport Beach, CA 92660 310-432-2102	Money Loaned and Judgment Obtained	Contingent Unliquidated Disputed	65,922,650.21
Petra Capital Management LLC 1370 Avenue of the Americas 23rd Floor New York, NY 10019	Richard Perlman Petra Capital Management LLC 1370 Ave of the Americas-23rd New York, NY 10019 212-710-3033	Management services		4,900,000.00
Pricewaterhouse Coopers 300 Madison Ave New York, NY 10017	James Guiry Pricewaterhouse Coopers 300 Madison Ave New York, NY 10017 646-471-3620	Accounting Services	Contingent Unliquidated	Unknown
Proskauer Rose 1585 Broadway New York, NY 10036	David Weinberger Proskauer Rose 1585 Broadway New York, NY 10036 212-969-3405	Legal Services	Contingent Unliquidated	Unknown

Case No.

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
(Continuation Sheet)

[illegible]

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Vice President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: 10/20/2010

Signature: /s/ Lawrence Shelley
Lawrence Shelley
Vice President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

United States Bankruptcy Court
Southern District of New York

In re Petra Fund REIT Corp.

Debtor

Case No. _____

Chapter 11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Petra Fund Investments LLC 1370 Avenue of the Americas New York, NY 10019	Common shares		
REIT Funding LLC 1175 Peachtree St. NE 100 Colony Square, Ste 2120 Atlanta, GA 30361-6206	Preferred Shares		

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Vice President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date 10/20/2010

Signature /s/ Lawrence Shelley
Lawrence Shelley
Vice President

*Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C §§ 152 and 3571.*

0 continuation sheets attached to List of Equity Security Holders

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE:

Petra Fund REIT Corp,

DEBTOR

CHAPTER 11

CASE NO.

CORPORATE OWNERSHIP STATEMENT – BANKRUPTCY RULE 7007.1

The undersigned proposed counsel for the above-captioned Debtor confirms that the Debtor's equity securities are owned by Petra Fund Investments LLC, 1370 Avenue of the Americas, New York, NY 10019, and REIT Funding LLC, 1175 Peachtree St, NE, 100 Colony Square, Ste. 2120, Atlanta, GA 30361, and that neither of these companies is a publicly traded company nor does any publicly traded company directly or indirectly own more than ten percent of a class of equity of either such company.

DATED: New York, NY
Oct. 20, 2010

DICKSTEIN SHAPIRO LLP
1633 Broadway
New York, New York 10019
(212) 277-6500; Fax (212) 277 6501

By: /s/ Arnold Gulkowitz
Arnold Gulkowitz, Esq.

Proposed counsel for Debtor

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

Petra Fund REIT Corp.

Case No. _____

Debtor

Chapter _____

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR

1. Pursuant to 11 U.S.C. § 329 (a) and Fed. R. Bankr. P. 2016(b), I certify that I am the attorney for the above-named debtor(s) and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept \$ Court approved fees and expenses

Prior to the filing of this statement I have received \$ 15,000.00

Balance Due \$ None for preparation work.

2. The source of the compensation paid to me was:

☐ Debtor ☒ Other (specify) Officers of REIT
paid one retainer to cover preparation of petition for both consolidated debtor filings.

3. The source of compensation to be paid to me is:

☒ Debtor ☐ Other (specify)

4. ☒ I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

☐ I have agreed to share the above-disclosed compensation with another person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation, is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statements of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d. Representation of the debtor in adversary proceedings and other contested bankruptcy matters;
- e. Other services as needed.

6. By agreement with the debtor(s), the above-disclosed fee does not include the following services:

N/A

Certification

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceedings.

10/20/10
Date

/s/ Arnold Gulkowitz
Signature of Attorney

Dickstein Shapiro LLP
Name of Law Firm
Arnold Gulkowitz
Dickstein Shapiro LLP
1633 Broadway
New York, NY 10019
(212)277-6500

United States Bankruptcy Court
Southern District of New York

In re Petra Fund REIT Corp.

Debtor(s)

Case No.
Chapter

11

VERIFICATION OF CREDITOR MATRIX

I, the Vice President of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date:

10/20/2010

/s/ Lawrence Shelley

Lawrence Shelley/Vice President
Signer/Title

Bear Stearns Funding, Inc.
c/o JP Morgan Chase Bank, NA
270 Park Avenue, 6th Floor
New York, NY 10017

Fried, Frank Harris, Shriver &
One New York Place
New York, NY 10004

Greenwich Cap. Fin. Prod.
600 Steamboat Rd
Greenwich, CT 06830

KBS Preferred Holding I, LLC
c/o KBS REIT
620 Newport Ctr Dr, Ste 1300
Newport Beach, CA 92660

Petra Capital Management LLC
1370 Avenue of the Americas
23rd Floor
New York, NY 10019

Petra Offshore Fund, L.P.
1370 Avenue of the Americas
New York, NY 10019

Pricewaterhouse Coopers
300 Madison Ave
New York, NY 10017

Proskauer Rose
1585 Broadway
New York, NY 10036

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022

Sidley Austin LLP
787 Seventh Avenue
New York, NY 10019

Winston Strawn LLP
200 Park Avenue
New York, NY 10166

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE:

Petra Fund REIT Corp, et al.

DEBTORS

CHAPTER 11

**CASE NO.
(JOINT ADMINISTRATION
REQUESTED)**

ORDER SCHEDULING INITIAL CASE CONFERENCE

Petra Fund REIT Corp. and Petra Offshore Fund LP (collectively, the “Debtors”) having each filed a petition for reorganization under Chapter 11 of the Bankruptcy Code on October 20, 2010, and the Court having determined that a case management conference will aid in the efficient administration of the case, it is

ORDERED, pursuant to 11 U.S.C. § 105(d), that an initial case conference will be conducted by the undersigned Bankruptcy Judge in Room ___, United States Bankruptcy Court, One Bowling Green, New York 10004 on _____, 201_, at ___, or as soon thereafter as counsel may be heard, to consider the efficient administration of the case, which may include, inter alia, such topics as retention of professionals, creation of a committee, use of alternative dispute resolution, timetables, and scheduling of additional case management conferences, and it is further

ORDERED, that the Debtors shall give notice of this Order by mail at least seven days prior to the scheduled date to each committee appointed in this case to serve pursuant to 11 U.S.C. § 1102 (or, if no committee has been appointed, to the holders of the ten largest unsecured claims), the holders of the five largest unsecured claims, any post-petition lender, and the United States Trustee, and shall promptly file proof of such service with the Clerk of the Court.

DATED: New York, NY
_____, 2010

UNITED STATES BANKRUPTCY JUDGE